§ 2430.4 Additional criteria for classification of lands valuable for public purposes.

- (a) To be valuable for public purposes, lands must be suitable for use by a State or local governmental entity or agency for some noncommercial and nonindustrial governmental program or suitable for transfer to a non-Federal interest in a transaction which will benefit a Federal, State, or local governmental program.
- (b) Lands found to be valuable for public purposes may be classified for sale pursuant to the Public Land Sale Act as chiefly valuable for public uses or development or for transfer in satisfaction of a State land grant, or for transfer to a State or local governmental agency in exchange for other property, or for transfer to a governmental agency under any applicable act of Congress other than the Recreation and Public Purposes Act (44 Stat. 741), as amended (43 U.S.C. 869-869-4), if (1) the proposed use includes profit activities or if the interested, qualified governmental agency and the authorized officer agree that there is no need for the perpetual dedication of the lands to public uses required by the Recreation and Public Purposes Act, and (2) in the case of sales under the Public Land Sale Act, adequate zoning regulations exist in the area in which the lands are located.
- (c) Lands found to be valuable for public purposes will ordinarily be classified for sale or lease under the Recreation and Public Purposes Act (see part 2740 and subpart 2912 of this chapter) if the proposed use involves nonprofit activities and if it is determined by the authorized officer that the provisions of that Act are required to insure the continued dedication of the lands to such uses, or otherwise to carry out the purposes of the Act.
- (d) Lands may be classified for exchange under appropriate authority where they are found to be chiefly valuable for public purposes because they have special values, arising from the interest of exchange proponents, for exchange for other lands which are needed for the support of a Federal program.

§ 2430.5 Additional criteria for classification of lands valuable for residential, commercial, agricultural, or industrial purposes.

- (a) Lands which have value for residential, commercial, agricultural, or industrial purposes, or for more than one of such purposes, will be considered chiefly valuable for that purpose which represents the *highest and best use* of the lands, i.e., their most profitable legal use in private ownership.
- (b) Lands may be classified for sale pursuant to the Public Land Sale Act as being chiefly valuable for residential, commercial, agricultural, or industrial uses or development (other than grazing use or use for raising native forage crops), if (1) adequate zoning regulations are in effect, and, where the lands also are needed for urban or suburban development, (2) adequate local governmental comprehensive plans have been adopted.
- (c) Lands determined to be valuable for residential, commercial, agricultural, or industrial purposes may be classified for disposal under any appropriate authority other than the Public Land Sale Act if (1) disposal under such other authority would be consistent with local governmental comprehensive plans, or (2) in the absence of such plans, with the views of local governmental authorities.
- (d) Lands outside of Alaska may be classified as suitable for homestead entry under part 2510 of this chapter if they are (1) chiefly valuable for agricultural purposes, and (2) suitable for development as a home and farm for a man and his family, and (3) the anticipated return from agricultural use of the land would support the residents. If it is determined that the irrigation of land otherwise suitable for homestead entry would endanger the supply of adequate water for existing users or cause the dissipation of water reserves, such land will not be classified for entry. Land may be classified for homestead entry only if rainfall is adequate, or if under State law, there is available to the land sufficient irrigation water, to permit agricultural development of its cultivable portions.
- (e) Lands may be classified as suitable for desert land entry under part 2520 of this chapter if (1) the lands are